Price retention mechanism for fertilizers

2154. SHRI PREM CHAND GUPTA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Government are in the process of dismantling the price retention mechanism for fertilizers;

(b) whether 20-30 per cent of the indigenous industry would be forced to closedown as the price would be unviable if Government carry out this policy; and

(c) if so, what is Government's thinking in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) to (c) Government is in the process of formulating a new pricing policy for urea units keeping in view the recommendations of the Expenditure Reforms Commission. Impact of the pricing policy on the domestic fertilizer industry as well as on the Government's subsidy expenditure will be kept in view, before the new policy is finalised. The proposed new policy will aim at bringing transparency and uniformity in disbursement of subsidy payments to urea manufacturers and will also induce them to take cost reduction measures on their own and be competitive.

Distributors of fertilizers

†2155. SHRIMATI KUM KUM RAI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) what are the criteria for appointment of distributors of fertilizers in the country;

(b) the number of distributors of fertilizers in the country;

(c) whether reservation policy is applicable in the appointment of distributors of fertilizers; and

(d) if so, the total number of fertilizers distributors in Bihar stating

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†Orginal notice of the question was received in Hindi.